



FutureGen Industrial Alliance

On July 27, 2005, the Alliance formally organized as a Delaware 501(c)(3) non-profit corporation called the FutureGen Industrial Alliance, Inc., with eight charter members:

- American Electric Power
- Southern Company
- Consol Energy, Inc.
- Kennecott Energy Company
- Peabody Energy
- BHP Billiton
- Foundation Coal Corp.
- China Huaneng Group (an electric utility)

The not-for-profit Battelle research and development firm is serving as the Alliance coordinator.

The Alliance has an open membership policy to encourage the addition of other coal and utility companies. The five coal company members of the Alliance (Consol, Kennecott, Peabody, BHP Billiton, and Foundation Coal) produce over 40 percent of coal mined in the United States. The utility members (American Electric Power and Southern Company) are the two largest electric utilities in the United States owning more than 15 percent of U.S. coal-fired generation. The China Huaneng Group is largest coal-based power generator in China.

As a partner with DOE, the FutureGen Industrial Alliance, Inc. will choose a host site and design, construct and operate the FutureGen plant. This Alliance will share the project costs with the government.

American Electric Power (NYSE: AEP), American Electric Power owns more than 36,000 megawatts of generating capacity in the United States and is the nation's largest electricity generator. AEP is also one of the largest electric utilities in the United States, with more than 5 million customers linked to AEP's 11-state electricity transmission and distribution grid. The company is based in Columbus, Ohio. (www.AEP.com)

BHP Billiton (NYSE: BHP; BBL; ASX, LSE) is the world's largest diversified resources company. BHP Billiton has 35,000 employees working in more than 100 operations in approximately 20 countries. BHP Billiton is an industry leader in major commodity businesses, including aluminum, energy coal and metallurgical coal, copper, ferro-alloys, nickel, iron ore, uranium, nickel and titanium minerals and has substantial interests in oil, gas, liquefied natural gas, diamonds and silver. For the 2005 fiscal year, the company generated turnover of US\$31.8 billion, earnings before interest and tax (EBIT) of US\$9.3 billion and available cash flow of US\$8.7 billion. As of 19 August 2005, BHP Billiton's market capitalization was US\$92 billion. (www.BHPBilliton.com)

Battelle is one of the world's largest non-profit, private research and development institutions. It develops new technologies, commercializes products, and provides solutions for industry and government ranging from pharmaceuticals and medical product development, to innovations for the energy, automotive, chemical and agrochemical industries. Headquartered in Columbus, Ohio, Battelle has annual revenues of \$1 billion and more than 60 locations throughout the world. (www.Battelle.org)



CONSOL Energy, Inc. (NYSE: CNX) is the largest producer of high-Btu bituminous coal in the United States, and one of the largest exporters of U.S. coal. CONSOL Energy has bituminous coal mining complexes in six states. CONSOL produces both high-Btu coal and gas, which collectively fuels two-thirds of all U.S. power generation from reserves located mainly east of the Mississippi River. CONSOL Energy is a major fuel supplier to the electric power industry in the northeast quadrant of the United States.

CONSOL Energy has expanded the use of its vast property holdings by developing various industrial and retail development projects and overseeing timber sale and forestry management activities both in the United States and abroad. The company also maintains private research and development facilities devoted exclusively to coal and energy utilization and production. (www.CONSOLEnergy.com)

Foundation Coal (NYSE: FCL) is the nation's fifth largest coal producer, with annual production of approximately 67 million tons of coal and controls approximately 1.8 billion tons of proven and probable coal reserves. Its affiliates operate mines in the Powder River, Illinois, Northern Appalachia and Central Appalachia basins. Foundation supplies coal to more than 80 customers across the country. (www.FoundationCoal.com)

Peabody Energy (NYSE: BTU) is the world's largest coal company, with 2004 sales of 227 million tons and \$3.6 billion in revenues. Its coal products fuel more than 10 percent of all U.S. electricity and 3 percent of worldwide electricity. Peabody serves customers in more than 15 countries on five continents, and leads all coal companies with 9.6 billion tons of coal reserves. The company is serving global coal demand for electricity generators and steelmakers, and is growing to serve new global customers and emerging "Btu Conversion" markets. Peabody promotes continuous environmental improvement through coal mining and coal use and is advancing the next generation of clean coal technology through development of mine-mouth electricity generating stations that will be among the cleanest coal plants in America. (www.PeabodyEnergy.com)

Kennecott Energy Company is part of the Rio Tinto Group. KEC operates five coal mines in the western United States: the Antelope, Cordero Rojo, and Jacobs Ranch mines in Wyoming's Southern Powder River Basin; the Spring Creek mine in Montana; and the Colowyo Coal Company in northeastern Colorado. The company's other holdings include a 50/50 joint venture interest in Decker Coal, a Montana coal producer. (<http://www.kennecottenergy.com>)

Southern Company (NYSE: SO) has more than 4 million customers and nearly 39,000 megawatts of generating capacity. Southern Company is the premier super-regional energy company in the Southeast and a leading U.S. producer of electricity. Southern Company owns electric utilities in four states, a growing competitive generation company, an energy services business and a competitive retail natural gas business, as well as fiber optics and wireless communications. Southern Company brands are known for excellent customer service, high reliability and retail electric prices that are 15 percent below the national average. (www.southerncompany.com)

China Huaneng Group is one of the top ten power companies in the world and is the largest coal-based power generator in the People's Republic of China, representing about 9 percent of China's generating capacity. Huaneng's participation in FutureGen signals an exciting step forward in international cooperation to meet long-term global energy challenges, promote a cleaner environment and create solutions to address concerns about climate change. China will be experiencing steady and fast economic growth. China has the world's third-largest coal reserve base and uses coal to generate about 70 percent of its electricity. Huaneng commits itself to powering the economy, as well as developing and adopting new technology to improve efficiency and environmental protection. (www.chng.com.cn/english/index.htm)

Program Contact

Victor Der, U.S. Department of Energy, Office of Clean Energy Systems
Telephone: 301-903-2700